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UNITED STATES DISTRICT COURT  
FOR THE CENTRAL DISTRICT OF CALIFORNIA  
SOUTHERN DIVISION

September 2018 Grand Jury

UNITED STATES OF AMERICA,

Plaintiff,

v.

USA HAPPY BABY INC.,  
MICHAEL WEI YUEH LIU, and  
JING DONG,

Defendants.

ED CR No. 19-00027 JJB

I N D I C T M E N T

[18 U.S.C. § 371: Conspiracy; 18 U.S.C. § 1343: Wire Fraud; 18 U.S.C. § 1956(a)(2)(A): International Promotional Money Laundering; 18 U.S.C. § 1028(a)(7): Unlawful Transfer, Possession, and Use of Means of Identification; 18 U.S.C. § 1028A(a)(1): Aggravated Identity Theft; 26 U.S.C. § 7206(1): Subscribing to a False Tax Return; 18 U.S.C. § 2(a): Aiding and Abetting; 18 U.S.C. § 2(b): Causing an Act to be Done]

The Grand Jury charges:

INTRODUCTORY ALLEGATIONS

At all times relevant to this Indictment:

1. A citizen of a foreign country who wished to enter the United States generally was required to first obtain a visa from the U.S. Government: either a nonimmigrant visa for temporary stay, or an immigrant visa for permanent residence. Visitor visas were

1 nonimmigrant visas for persons who wanted to enter the United States  
2 temporarily for business (visa category B-1), for tourism, for  
3 pleasure or visiting (category B-2), or for both purposes (B-1/B-2).

4 2. In order to apply for a tourist visa, an applicant was  
5 required to complete and submit a Nonimmigrant Visa Application and  
6 schedule an appointment for a visa interview. Generally, the visa  
7 interview would take place at a U.S. Embassy/Consulate in a foreign  
8 country.

9 3. Receiving a tourist visa from the U.S. Government was a  
10 privilege, not a right. In order to be granted a nonimmigrant visa  
11 to visit the United States, applicants were required to overcome the  
12 presumption in the U.S. Immigration and Nationality Act that all visa  
13 applicants are immigrants who intend to remain in the United States.

14 4. "Birth tourism" - also known as "maternity house" or  
15 "birthing house" - businesses were operations that housed pregnant  
16 foreign nationals in properties in the United States so that their  
17 children could be born in the United States and receive U.S.  
18 birthright citizenship. The operators helped the aliens fraudulently  
19 obtain visas to come to the United States, by filing visa  
20 applications that contained multiple false statements by  
21 misrepresenting the true intention of the visits.

22 5. Chinese birth tourism companies advertised the benefits of  
23 having children with birthright U.S. citizenship, such as to hedge  
24 against environmental, educational, and political problems in China.

25 6. In March 2015, federal law enforcement executed search  
26 warrants at approximately 35 suspected Chinese birth tourism  
27 locations throughout southern California, including in Orange, Los  
28 Angeles, and San Bernardino Counties.

1        7.     These Introductory Allegations are alleged for all Counts  
2 in this Indictment as though set forth in their entirety.

COUNT ONE

[18 U.S.C. § 371]

A. OBJECTS OF THE CONSPIRACY

8. Beginning on a date unknown to the Grand Jury, but no later than in or around January 2012, and continuing to in or around March 2015, in Orange, San Bernardino, and Los Angeles Counties, within the Central District of California, and elsewhere, including the People's Republic of China ("PRC"), defendants USA HAPPY BABY INC. ("USA HAPPY BABY"), MICHAEL WEI YUEH LIU ("LIU"), and JING DONG ("DONG"), together with others known and unknown to the Grand Jury, conspired and agreed with each other to knowingly and intentionally commit offenses against the United States, namely:

a. Immigration Fraud, in violation of Title 18, United States Code, Section 1546;

b. Wire Fraud, in violation of Title 18, United States Code, Section 1343;

c. International Promotional Money Laundering, in violation of Title 18, United States Code, Section 1956(a)(2)(A);

d. Unlawful Transfer, Possession, and Use of Means of Identification, in violation of Title 18, United States Code, Section 1028(a)(7); and

e. Aggravated Identity Theft, in violation of Title 18, United States Code, Section 1028A(a)(1).

B. MEANS BY WHICH THE OBJECTS OF THE CONSPIRACY WERE TO BE ACCOMPLISHED

9. The objects of the conspiracy were to be accomplished, in substance, as follows:

a. Defendant LIU would incorporate defendant USA HAPPY

1 BABY with the California Secretary of State.

2 b. Defendants LIU, DONG, and USA HAPPY BABY would  
3 advertise their business on the internet, including using email  
4 address usahappybaby@hotmail.com, through which they would promote  
5 the benefits of giving birth in the United States rather than  
6 China/PRC, including identifying the United States as having: (a) a  
7 clean environment, including "better air" and less pollution;  
8 (b) food safety; (c) superior educational resources; and (d) a more  
9 stable political situation, as well as the possibility of petitioning  
10 to bring their parents to the United States in the future.

11 c. Defendants LIU and DONG would generally charge between  
12 \$20,000 and \$40,000 for each birth tourism customer, but sometimes  
13 would charge \$100,000 for "VIP" customers.

14 d. Defendants LIU and DONG would use agents in China to  
15 recruit pregnant Chinese nationals who wanted to come to the United  
16 States to give birth so their children would receive U.S. birthright  
17 citizenship.

18 e. Defendants LIU and DONG would pay those Chinese agents  
19 30% of the package fee that the Chinese customers paid, keeping the  
20 remaining 70% for themselves.

21 f. Defendants LIU and DONG would communicate by email  
22 with their more than 20 employees and agents in China.

23 g. Defendants LIU and DONG would provide birth tourism  
24 services to all types of customers from China, including customers  
25 who were current Chinese/PRC government employees.

26 h. Defendants LIU and DONG, together with others known  
27 and unknown to the Grand Jury, including their agents in China, would  
28 cause to be filed visa applications for their Chinese customers with

1 the U.S. Department of State, which contained false statements.

2 i. Defendant USA HAPPY BABY's customers' visa  
3 applications would contain false statements as to the purpose of the  
4 visits, the length of stay in the United States, and the locations of  
5 the stay in the United States. Generally, defendant USA HAPPY BABY's  
6 customers' visa applications would falsely state that the purpose of  
7 the trip to the United States was for tourism, the length of the stay  
8 was eight to 14 days, and the customers would be staying in Hawaii,  
9 New York, or Los Angeles, when in truth and in fact, those customers  
10 were coming to the United States to give birth, the length of their  
11 stays was 3 months, and they would be staying in Rancho Cucamonga,  
12 California, or Irvine, California.

13 j. Defendants LIU and DONG, together with others known  
14 and unknown to the Grand Jury, would coach their Chinese customers  
15 how to pass the U.S. Consulate interview in China, including telling  
16 the customers to say they were going to stay in the United States for  
17 only two weeks, and warning the customers that if they disclosed that  
18 they were pregnant, they would not be able to obtain a visa.

19 k. Defendants LIU and DONG, together with others known  
20 and unknown to the Grand Jury, would coach their Chinese birth  
21 tourism customers how to pass the U.S. Customs inspection at the U.S.  
22 port of entry, including sending them photographs of how to dress  
23 with loose-fitting clothing that would conceal that the customers  
24 were pregnant.

25 l. Defendants LIU and DONG, together with others known  
26 and unknown to the Grand Jury, would direct their Chinese birth  
27 tourism customers to book two flights: (a) the first flight from  
28 China to Hawaii, instead of from China to Los Angeles International

1 Airport ("LAX"), because they believed that it would be easier to  
2 clear U.S. Customs through Hawaii; and (b) the second flight from  
3 Hawaii to LAX, which would then be considered a domestic flight with  
4 no U.S. Customs check.

5 m. Defendants LIU and DONG would lease apartments in San  
6 Bernardino and Orange Counties to house their pregnant Chinese  
7 customers, including properties owned by the Irvine Company.

8 n. To lease those apartments, defendants LIU and DONG  
9 would defraud the property owners by leasing the apartments in the  
10 names of people who were not going to be the actual occupants, as  
11 well as concealing from the property owners that defendants LIU and  
12 DONG were running a business of housing multiple individuals on a  
13 short-term basis, and that they were operating an illegal  
14 international birth tourism business.

15 o. Defendants LIU and DONG would house their Chinese  
16 birth tourism customers at locations in San Bernardino and Orange  
17 Counties, even though they knew that their customers' visas had been  
18 procured by fraud.

19 p. To deposit payments from their Chinese birth tourism  
20 customers, defendants LIU and DONG opened and used at least 14  
21 different bank accounts in the United States, as well as other  
22 foreign bank accounts, including in China.

23 q. To receive payments from their Chinese birth tourism  
24 customers, defendants LIU and DONG would cause international  
25 transfers of funds from China to the United States, which totaled  
26 more than \$3,400,000 just during 2013 and 2014.

27 r. To skirt China's currency restrictions, defendants LIU  
28 and DONG's Chinese agents would use nominees to transfer the money

1 from China to the United States.

2 s. Defendants LIU and DONG, and others known and unknown  
3 to the Grand Jury, would collect between \$10,000 and \$20,000 in cash  
4 from their birth tourism customers after they arrived in the United  
5 States, which was in addition to the tens of thousands of dollars  
6 that the customers had already paid in China for defendant USA HAPPY  
7 BABY's birth tourism services, which cash they would fail to report  
8 as income to the IRS.

9 t. To operate their birth tourism scheme, defendants LIU,  
10 DONG, and USA HAPPY BABY employed more than 20 people in the United  
11 States, whom they mostly paid in cash, and many of whom were  
12 illegally present in the U.S.

13 u. Defendant LIU, DONG, and USA HAPPY BABY's Chinese  
14 birth tourism customers would fail to pay all the costs of giving  
15 birth in the United States, including hospital, doctor, and other  
16 bills, which would then be referred to collection.

17 v. Defendants LIU and USA HAPPY BABY would file false  
18 federal income tax returns for defendants USA HAPPY BABY and LIU that  
19 failed to report approximately \$1,900,000 in income for tax years  
20 2012, 2013, and 2014.

21 w. From in or around January 2014 to the end of December  
22 2014, defendants LIU and DONG would rent more than 30 different  
23 locations in Orange and San Bernardino Counties to house pregnant  
24 foreign nationals who had come to the United States to give birth by  
25 using visas that had been procured by fraud.

26 x. From in or around January 2013 through the end of  
27 December 2013, defendants LIU, DONG, and USA HAPPY BABY would receive  
28 approximately \$1,400,000 in international wire transfers.

1 y. From in or around January 2014 through the end of  
2 December 2014, defendants LIU, DONG, and USA HAPPY BABY would receive  
3 approximately \$2,000,000 in international wire transfers.

4 z. From in or around January 2012 through March 2015,  
5 defendants USA HAPPY BABY, LIU, and DONG would have several hundred  
6 Chinese birth tourism customers who through fraud would be able to  
7 come to the United States to birth, whose children thus received  
8 birthright U.S. citizenship.

9 C. OVERT ACTS

10 10. In furtherance of the conspiracy, and to accomplish its  
11 objects, on or about the following dates, defendants USA HAPPY BABY,  
12 LIU, and DONG, and others known and unknown to the Grand Jury,  
13 committed various overt acts within the Central District of  
14 California, and elsewhere, including, but not limited to, the  
15 following:

16 Overt Act No. 1: On or about January 1, 2012, defendant LIU  
17 incorporated defendant USA HAPPY BABY with the California Secretary  
18 of State.

19 Overt Act No. 2: On or about November 20, 2012, defendant DONG  
20 used the name "Phoebe Baby LAapartment" for her email message  
21 usahappybaby@hotmail.com.

22 Overt Act No. 3: On or about January 13, 2013, one of defendant  
23 USA HAPPY BABY's agents in China sent an email message to defendant  
24 USA HAPPY BABY customer M.W., a Chinese national, which instructed:  
25 "Contact Teacher Dong who is the person in charge on the U.S. side."

26 Overt Act No. 4: On or about February 14, 2013, defendant DONG  
27 sent an email message to one of defendant USA HAPPY BABY's agents in  
28 China, where defendant DONG lamented that one of their birth tourism

1 customers was going over the contract "in great detail and verifying  
2 everything with us with even more attention than flees on a dog."

3 Overt Act No. 5: On or about April 3, 2013, defendant DONG sent  
4 an email message to a defendant USA HAPPY BABY employee about a birth  
5 certificate, where she wrote: "We have a 'genius' mom here who  
6 mistakenly misspelled father's name. It has to be amended."

7 Overt Act No. 6: On or about October 16, 2013, defendant LIU  
8 signed a one-year lease for an apartment for \$1,494/month, where he  
9 falsely represented that Y.S., a Chinese national, would be the  
10 occupant of the apartment.

11 Overt Act No. 7: On or about December 7, 2013, defendant LIU  
12 signed a one-year lease for an apartment for \$1,617/month, where he  
13 falsely represented that M.W., a Chinese national, would be the  
14 occupant of the apartment.

15 Overt Act No. 8: On or about February 18, 2014, defendants LIU  
16 and DONG signed a one-year lease for an apartment, claiming that  
17 defendant LIU's monthly income was \$106,984, and wherein they falsely  
18 listed that they would be the occupants.

19 Overt Act No. 9: On or about March 10, 2014, defendant USA  
20 HAPPY BABY customer Y.Z., a Chinese national, filed a visa  
21 application to come to the United States, which listed her current  
22 job as "Government" and "Director" of the Tianjin Nankai District  
23 Real Estate Administration, Tianjin, China, and contained false  
24 statements.

25 Overt Act No. 10: On or about June 5, 2014, defendant USA HAPPY  
26 BABY employee J.Y., a Chinese national, filed a visa application to  
27 come to the United States, wherein she stated that she had retired  
28 from the Ningxia Bureau of Human Development Services, in Yinchuan,

1 Ningxia, China.

2 Overt Act No. 11: On or about June 20, 2014, defendant USA  
3 HAPPY BABY customer C.Z., a Chinese national, filed a visa  
4 application to come to the United States, which contained false  
5 statements.

6 Overt Act No. 12: On or about August 19, 2014, Chinese national  
7 Z.A., who was married to defendant USA HAPPY BABY customer J.L., also  
8 a Chinese national, filed a visa application to come to the United  
9 States, which not only made false statements about the location where  
10 he planned to stay in the United States, but also omitted that for  
11 several years he had previously worked as a police officer for the  
12 Public Security Bureau of the Beijing Municipal Government in China.

13 Overt Act No. 13: On or about September 27, 2014, defendant LIU  
14 signed a one-year lease for an apartment for \$1,586/month, where he  
15 falsely represented that Y.S., a Chinese national, would be the  
16 occupant of the apartment.

17 Overt Act No. 14: On or about October 5, 2014, defendant DONG  
18 signed a six-month lease for an apartment for \$1,875/month, where she  
19 falsely represented that she and her children with defendant LIU  
20 would be the occupants.

21 Overt Act No. 15: On or about October 22, 2014, defendant LIU  
22 signed a one-year lease for an apartment for \$1,720/month, where he  
23 falsely represented that M.W., a Chinese national, would be the  
24 occupant.

25 Overt Act No. 16: On or about October 29, 2014, defendant USA  
26 HAPPY BABY customer Yu.L., a Chinese national, filed a visa  
27 application that listed her current job as "Medical/Health" at the  
28 2nd Affiliated Hospital of Harbin Medical University, Harbin,

1 Heilongjiang Province, China, and contained false statements.

2 Overt Act No. 17: On or about November 3, 2014, defendant USA  
3 HAPPY BABY's Chase checking account ending in 8558 made payments  
4 totaling more than \$25,000 for 16 different apartments leased to  
5 house defendant USA HAPPY BABY's birth tourism customers.

6 Overt Act No. 18: On or about November 4, 2014, defendant USA  
7 HAPPY BABY's Chase checking account ending in 8558 made payments  
8 totaling more than \$21,000 for 13 different apartments leased to  
9 house defendant USA HAPPY BABY's birth tourism customers.

10 Overt Act No. 19: On or about November 11, 2014, defendant USA  
11 HAPPY BABY customer Yua.L., a Chinese national, filed a visa  
12 application that listed her current job as "Government" and Deputy  
13 Director of the Henan People's Radio Station in Zhengzhou, Henan,  
14 China, and which contained false statements.

15 Overt Act No. 20: On or about November 15, 2014, a check for  
16 \$46,848 payable to defendant USA HAPPY BABY was deposited into  
17 defendant USA HAPPY BABY's Chase checking account ending in 8558,  
18 which was partial payment for one of its birth tourism customers,  
19 Chinese national C.Z.

20 Overt Act No. 21: On or about December 10, 2014, defendant DONG  
21 signed a defendant USA HAPPY BABY receipt for \$15,000 cash received  
22 from one of defendant USA HAPPY BABY's birth tourism customers.

23 Overt Act No. 22: On or about January 6, 2015, Chinese national  
24 W.L. entered the United States to be present for the birth of his  
25 daughter with his daughter's mother, defendant USA HAPPY BABY  
26 customer C.Z. To obtain a visa to travel to the United States, W.L.  
27 had listed on his visa application that he was the "Chairman" of the  
28 Chengdu Baotai Industrial Group Co. Ltd. in Chengdu, Sichuan, PRC,

1 claiming that his monthly income was approximately \$30,000.

2 Overt Act No. 23: On or about January 12, 2015, defendant DONG  
3 sent an email message to one of defendant USA HAPPY BABY's Chinese  
4 agents, where defendant DONG wrote: "U.S. side is not going to give a  
5 20% discount."

6 Overt Act No. 24: On or about January 29, 2015, defendants DONG  
7 and LIU signed a one-year lease for a condominium in Irvine, for  
8 \$3,500 a month, where they falsely claimed that they would be the  
9 occupants.

10 Overt Act No. 25: On or about March 3, 2015, once the federal  
11 agents had departed after executing search warrants at apartments  
12 being used for defendant USA HAPPY BABY's birth tourism customers,  
13 defendant DONG moved some customers to other apartments, so that the  
14 federal agents could not speak to those customers.

15 Overt Act No. 26: On or about March 3, 2015, defendants LIU and  
16 DONG possessed business records of defendant USA HAPPY BABY, which  
17 demonstrated that they were using more than 30 different apartments  
18 to house their birth tourism customers.

19 Overt Act No. 27: On or about March 3, 2015, defendants LIU and  
20 DONG possessed copies of email messages that defendant DONG had sent  
21 to a hospital that listed 24 of their birth tourism customers' names.

22 Overt Act No. 28: On or about March 4, 2015, after federal  
23 agents had searched apartments being used by defendant USA HAPPY  
24 BABY, defendant DONG sent text messages to multiple defendant USA  
25 HAPPY BABY customers wherein she stated that she believed that one of  
26 her customers had "betrayed" her to the federal authorities.

27 Overt Act No. 29: On or about April 12, 2015, defendant USA  
28 HAPPY BABY customer W.W. and her husband R.L.C., both Chinese

1 nationals, fled to China in violation of federal court orders that  
2 required that they remain in the United States as material witnesses  
3 until released by the Court.

4 Overt Act No. 30: On or about April 12, 2015, defendant USA  
5 HAPPY BABY customer J.L., a Chinese national, fled to China in  
6 violation of a federal court order that required that she remain in  
7 the United States as a material witness until released by the Court.

8 Overt Act No. 31: On or about April 13, 2015, defendant USA  
9 HAPPY BABY customer J.H., a Chinese national, fled to China in  
10 violation of a federal court order that required that she remain in  
11 the United States as a material witness until released by the Court.

12 Overt Act No. 32: On or about April 14, 2015, defendant USA  
13 HAPPY BABY customer E.Z., her husband L.N., and her mother J.X., all  
14 Chinese nationals, fled to China in violation of federal court orders  
15 that required that they remain in the United States as material  
16 witnesses until released by the Court.

17 Overt Act No. 33: On or about April 16, 2015, defendant USA  
18 HAPPY BABY customer Z.Y. and husband D.J.H., both Chinese nationals,  
19 fled to China in violation of federal court orders that required that  
20 they remain in the United States as material witnesses until released  
21 by the Court.

COUNTS TWO THROUGH SEVENTEEN

[18 U.S.C. §§ 1343, 2(a), 2(b)]

A. SCHEME TO DEFRAUD

11. Beginning on a date unknown to the Grand Jury, but no later than in or around January 2012, and continuing until in or around March 2015, in Orange, San Bernardino, and Los Angeles Counties, within the Central District of California, and elsewhere, defendants USA HAPPY BABY, INC. ("USA HAPPY BABY"), MICHAEL WEI YUEH LIU ("LIU"), and JING DONG ("DONG"), together with others known and unknown to the Grand Jury, each aiding and abetting the others, knowingly and with intent to defraud, executed a scheme to obtain moneys, funds, assets, and other property owned by and in the custody and control of AMLI residential, Equity Residential, the Irvine Company, and The Lewis Group of Companies (collectively, "the property owners") by means of material false and fraudulent pretenses, representations, and promises, and the concealment of material facts.

B. THE MANNER AND MEANS OF THE FRAUDULENT SCHEME

12. The fraudulent scheme operated, in substance, in the following manner:

a. The Grand Jury realleges Section B of Count One of this Indictment as though set forth in its entirety here.

b. Defendants LIU and DONG would rent and lease apartments, condominiums, and Single Family Residences from the property owners to house their Chinese birth tourism customers.

c. To rent those properties, defendants LIU and DONG would make false representations and promises and conceal material facts from the property owners.

d. Defendants LIU and DONG would pay the rent and other expenses for those rental properties by using funds they received from operating their fraudulent birth tourism scheme.

e. Defendants LIU and DONG would make wire transfers for some of those expenditures, including by interstate wire communications.

C. USE OF THE WIRES

13. On or about the dates set forth below, in Orange, San Bernardino, and Los Angeles Counties, within the Central District of California, and elsewhere, defendants USA HAPPY BABY, LIU, and DONG, for the purpose of executing the above-described scheme to defraud, transmitted and caused the transmission of the following items by means of wire communication in interstate and foreign commerce:

COUNT	DATE	ITEM TRANSFERRED
TWO	09/10/2014	\$37.11 payment to The Gas Company for Unit 7316 from defendant USA HAPPY BABY's Chase checking account ending in 8558
THREE	11/03/2014	Lease payment of \$1,875 from defendant DONG's Bank of America checking account ending in 0831 for Unit 1336
FOUR	12/01/2014	Lease payment of \$1,879 from defendant DONG's Bank of America checking account ending in 0831 for Unit 1336
FIVE	12/02/2014	Lease payment of \$1,781.35 from defendant USA HAPPY BABY's Chase checking account ending in 8558 for Unit 7214
SIX	12/02/2014	Lease payment of \$1,643.05 from defendant USA HAPPY BABY's Chase checking account ending in 8558 for Unit 7316
SEVEN	12/10/2014	\$37.06 payment to The Gas Company for Unit 7214 from defendant USA HAPPY BABY's Chase checking account ending in 8558
EIGHT	12/10/2014	\$21.64 payment to The Gas Company for Unit 7316 from defendant USA HAPPY BABY's Chase checking account ending in 8558
NINE	01/02/2015	Lease payment of \$1,894.14 from defendant DONG's Bank of America checking account ending in 0831 for Unit 1336
TEN	01/05/2015	Lease payment of \$1,786.76 from defendant USA HAPPY BABY's Chase checking account ending in 8558 for Unit 7214

Count	Date	Item Written
ELEVEN	01/05/2015	Lease payment of \$1,650.53 from defendant USA HAPPY BABY's Chase checking account ending in 8558 for Unit 7316
TWELVE	01/12/2015	\$27.70 payment to The Gas Company for Unit 7214 from defendant USA HAPPY BABY's Chase checking account ending in 8558
THIRTEEN	01/12/2015	\$27.70 payment to The Gas Company for Unit 7316 from defendant USA HAPPY BABY's Chase checking account ending in 8558
FOURTEEN	01/12/2015	Email message from defendant DONG to defendant USA HAPPY BABY Chinese agent, writing: "U.S. side is not going to give a 20% discount"
FIFTEEN	02/02/2015	Lease payment of \$1,939.88 from defendant DONG's Bank of America account ending in 0831 for Unit 1336
SIXTEEN	02/03/2015	Lease payment of \$1,792.31 from defendant USA HAPPY BABY's Chase checking account ending in 8558 for Unit 7214
SEVENTEEN	02/03/2015	Payment of \$1,651.33 from defendant USA HAPPY BABY's Chase checking account ending in 8558 to make lease payment for Unit 7316

## COUNTS EIGHTEEN THROUGH TWENTY-SEVEN

[18 U.S.C. §§ 1956(a)(2)(A), 2]

14. On or about the dates below, in San Bernardino and Los Angeles Counties, within the Central District of California, and elsewhere, defendants MICHAEL WEI YUEH LIU ("LIU") and JING DONG ("DONG"), each aiding and abetting the other, knowingly transported, transmitted, and transferred, and willfully caused the transportation, transmission, and transfer of, and knowingly aided, abetted, counseled, commanded, induced, and procured another person to transport, transmit, and transfer, the funds listed below to a place inside the United States from and through a place outside the United States with the intent to promote the carrying on of specified unlawful activity, specifically, immigration fraud, in violation of Title 18, United States Code, Section 1546(a), and wire fraud, in violation of Title 18, United States Code, Section 1343:

Count	Date	INTERNATIONAL FUNDS TRANSFER
EIGHTEEN	08/28/2014	Wire transfer of \$49,100 from Bank of China, Qingdao (Shandong branch), People's Republic of China ("PRC"), to defendant DONG's Chase savings account ending in 6916
NINETEEN	08/28/2014	Transfer of \$49,080 from Bank of China Limited, Beijing, PRC, to defendant DONG's Chase savings account ending in 6916
TWENTY	09/02/2014	Transfer of \$19,985 from Industrial and Commercial Bank of China, Shenzhen, PRC, to defendant USA HAPPY BABY INC.'s Chase savings account ending in 4626
TWENTY-ONE	09/25/2014	Wire transfer of \$154,025 from Chinatrust Commercial Bank CTBC Bank Co., Ltd., Taiwan, to defendant LIU's Chase savings account ending in 5783
TWENTY-TWO	10/10/2014	Wire transfer of \$25,432 from Bank of China, Shenzhen, PRC, to defendant DONG's Chase savings account ending in 6916
TWENTY-THREE	10/27/2014	Transfer of \$16,280 from China Everbright Bank, Beijing, PRC, to defendant DONG's Chase savings account ending in 6916

CONT	DATE	INTERNATIONAL FUNDS TRANSFER
TWENTY-FOUR	12/19/2014	Wire transfer of \$18,183 from Bank of China, Hangzhou (Zhejiang province), PRC, to defendant DONG's Chase savings account ending in 6916
TWENTY-FIVE	12/26/2014	Wire transfer of \$3,379.90 from Bank of China, Shenzhen, PRC, to defendant DONG's Chase savings account ending in 6916
TWENTY-SIX	02/03/2015	Wire transfer of \$49,911.04 from China Merchants Bank, Shanghai, PRC, to defendant DONG's Chase savings account ending in 6916
TWENTY-SEVEN	02/03/2015	Wire transfer of \$49,911.04 from China Merchants Bank, Shanghai, PRC, to defendant DONG's Chase savings account ending in 6916

## COUNTS TWENTY-EIGHT THROUGH THIRTY

[18 U.S.C. §§ 1028(a)(7), 2(a)]

15. On or about the following dates, in San Bernardino County, within the Central District of California, and elsewhere, defendants MICHAEL WEI YUEH LIU ("LIU") and JING DONG ("DONG"), each aiding and abetting the other, knowingly transferred, possessed, and used, without lawful authority, means of identification of another person, namely, the names of the individuals listed below, in the locations listed below, with the intent to commit, to aid and abet the commission of, and in connection with the commission of, a violation of Federal law, namely, Conspiracy to Commit Immigration Fraud, Wire Fraud, and International Money Laundering, in violation of Title 18, United States Code, Section 371, and Wire Fraud, a felony violation of Title 18, United States Code, Section 1343, with said transfer, possession, and use affecting interstate and foreign commerce:

COUNT	DATE	IDENTITY	ITEM	LOCATION
TWENTY-EIGHT	09/27/2014	Y.S.	Unit 7316 lease	Reserve at Empire Lakes Rancho Cucamonga, CA
TWENTY-NINE	10/22/2014	M.L.W.	Unit 7214 lease	Reserve at Empire Lakes Rancho Cucamonga, CA
THIRTY	03/03/2015	M.L.W.	Email message dated 7/31/13	LIU and DONG's residence

## COUNTS THIRTY-ONE THROUGH THIRTY-THREE

[18 U.S.C. §§ 1028A(a)(1), 2(a)]

16. On or about the dates below, in San Bernardino County, within the Central District of California, defendants MICHAEL WEI YUEH LIU ("LIU") and JING DONG ("DONG"), each aiding and abetting the other, knowingly transferred, possessed, and used, without lawful authority, means of identification that defendants LIU and DONG knew belonged to another person, namely, the names of the individuals listed below, during and in relation to the offense of Wire Fraud, in violation of Title 18, United States Code, Section 1343, as charged in the following counts of this Indictment:

COUNT	DATE	IDENTITY	PERPETRATED OFFENSE
THIRTY-ONE	09/27/14	Y.S.	COUNT SIX
THIRTY-TWO	10/22/14	M.L.W.	COUNT FIVE
THIRTY-THREE	03/03/15	M.L.W.	COUNT SEVEN

COUNT THIRTY-FOUR

[26 U.S.C. § 7206(1)]

17. On or about January 21, 2013, in San Bernardino County, within the Central District of California, and elsewhere, defendants USA HAPPY BABY INC. ("USA HAPPY BABY") and MICHAEL WEI YUEH LIU ("LIU") willfully made and subscribed to a materially false U.S. Corporation Income Tax Return, Form 1120, for defendant USA HAPPY BABY for the taxable year 2012, which was verified by a written declaration from defendant LIU that it was made under the penalties of perjury, and which defendant LIU caused to be filed with the Internal Revenue Service, knowing the tax return was not true and correct as to every material matter contained therein, in that the tax return reported Gross receipts or sales (line item 1c) of \$238,896, whereas, in truth and in fact, as defendant LIU then well knew and believed, the amount of Gross receipts or sales required to be reported on such return was substantially greater, because defendant USA HAPPY BABY had in fact received more than \$400,000 in Gross receipts or sales.

COUNT THIRTY-FIVE

[26 U.S.C. § 7206(1)]

18. On or about March 14, 2014, in San Bernardino County, within the Central District of California, and elsewhere, defendants USA HAPPY BABY INC. ("USA HAPPY BABY") and MICHAEL WEI YUEH LIU ("LIU") willfully made and subscribed to a materially false U.S. Corporation Income Tax Return, Form 1120, for defendant USA HAPPY BABY for the taxable year 2013, which was verified by a written declaration from defendant LIU that it was made under the penalties of perjury, and which defendant LIU caused to be filed with the Internal Revenue Service, knowing the tax return was not true and correct as to every material matter contained therein, in that the tax return reported Gross receipts or sales (line item 1c) of \$747,703, whereas, in truth and in fact, as defendant LIU then well knew and believed, the amount of Gross receipts or sales required to be reported on such return was substantially greater, because defendant USA HAPPY BABY had in fact received more than \$1,500,000 in Gross receipts or sales.

COUNT THIRTY-SIX

[26 U.S.C. § 7206(1)]

19. On or about February 26, 2015, in San Bernardino County, within the Central District of California, and elsewhere, defendants USA HAPPY BABY INC. ("USA HAPPY BABY") and MICHAEL WEI YUEH LIU ("LIU") willfully made and subscribed to a materially false U.S. Corporation Income Tax Return, Form 1120, for defendant USA HAPPY BABY for the taxable year 2014, which was verified by a written declaration from defendant LIU that it was made under the penalties of perjury, and which defendant LIU caused to be filed with the Internal Revenue Service, knowing the tax return was not true and correct as to every material matter contained therein, in that the tax return reported Gross receipts or sales (line item 1c) of \$1,299,937, whereas, in truth and in fact, as defendant LIU then well knew and believed, the amount of Gross receipts or sales required to be reported on such return was substantially greater, because

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1 defendant USA HAPPY BABY had in fact received more than \$2,100,000 in  
2 Gross receipts or sales.

3 A TRUE BILL

4  
5  
6 Foreperson

6 NICOLA T. HANNA  
United States Attorney

7  
8   
9 LAWRENCE S. MIDDLETON  
Assistant United States Attorney  
10 Chief, Criminal Division

11 DENNISE D. WILLETT  
Assistant United States Attorney  
12 Chief, Santa Ana Branch Office

13 DANIEL H. AHN  
Assistant United States Attorney  
14 Deputy Chief, Santa Ana Branch  
Office

15 CHARLES E. PELL  
Assistant United States Attorney  
16 Santa Ana Branch Office  
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